

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:)	CHAPTER 11
)	CASE NO.
BDC GROUP, INC.)	
)	23-00484
)	
Debtor.)	U.S. TRUSTEE'S OBJECTION TO THE
)	FIRST INTERIM APPLICATION FOR
)	COMPENSATION FOR DEBTOR'S
)	ACCOUNTANT

The Acting United States Trustee (UST), through the undersigned, hereby files this Objection to the *First Interim Application for Compensation for Debtor's Accountant* ("Application"). *See* Doc. 284. In support the UST respectfully states:

JURISDICTION, VENUE, AND STATUTORY PREDICATE

1. The Court has jurisdiction over this Objection and Application pursuant to 28 U.S.C. §§157 and 1334. Venue is proper pursuant to 28 U.S.C. §§1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The statutory predicate for the relief sought herein is 11 U.S.C. §§330 and 331, as well as Fed. R. Bankr. P. 2016. The United States Trustee has standing to raise, appear and be heard on this Objection pursuant to 11 U.S.C. §307; 28 U.S.C. § 581 *et seq.*

PROCEDURAL BACKGROUND

2. The Debtor, BDC Group, Inc., filed for chapter 11 relief on June 13, 2023.
3. The Debtor filed the Application to Employ BerganKDV as accountant to the Debtor on June 15, 2023. *See* Doc. 23 and 199 (Amended Application).
4. The Application to Employ was approved as amended on September 15, 2023.
5. The Debtor filed this Application on November 7, 2023. *See* Doc. 284. Objections are due by November 28, 2023. The Application covers the period from July 5, 2023 through October 5,

2023 and seeks payment of \$12,849.57 in attorney fees and \$0.00 in expenses for a total payment of \$12,849.57.

6. The UST brings the present Objection to the as it is unclear from the invoices and documents attached how the \$12,849.57 figure has been calculated.

7. Additionally, there are certain entries within the attached invoices and timekeeping records which fall outside of the stated Application period. Upon the Application of BerganKDV, the UST objected to certain payments which were proposed to be made for “work in progress” as it did not satisfy the disinterestedness requirement for professionals employed by the estate. BerganKDV agreed to waive amounts for the work in progress to satisfy the requirement of disinterestedness, but it is unclear if those are included in these invoices.

8. Without further detail and explanation as to the individual items that are being compensated in the various invoices attached, the UST cannot adequately analyze the appropriateness of the Application.

WHEREFORE, the Acting United States Trustee objects to the entry of any Order allowing the First Interim Application until such time that the billable hours and items can be appropriately explained and for other such relief as is just and equitable.

Dated: November 28, 2023

Respectfully Submitted,

Mary R. Jensen

Acting United States Trustee

Claire R. Davison

By:/s/ Claire R. Davison

Claire R. Davison

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CERTIFICATE OF SERVICE

The undersigned certifies that copies of this document were served on the parties listed below by electronic mail or first-class mail, postage prepaid, on November 28, 2023:

All parties receiving ecf notifications.

/s/ Jennifer L. Cline

Jennifer L. Cline

Paralegal Specialist

Office of U.S. Trustee